2.5 Monday

Market comfort level and Background:

US had a big drop last Friday. US valuation is high but china’s PE is lower.

Hold position steady until end of Apr to realize the first quarter advantage.

Need more specialized china trading tool.

Live processing

Entrance and exit indication

Pnl.

Tradable highlight in red.

HO and DD.

Wtd trade pnl.

Mtd trade pnl.

Ytd trade pnl.

Ytd solid down, pm down. You need wtd data.

First: generate stock list:

With R:

1. Historical high this year

2 Strategies:

1. Big stocks
2. Recent new highs.

2.6

US market crashed again.

Valuation is high for US and it has been rising for too long.

In the short term, stocks are volatile but in the long run it outperforms all asset classes.

China big caps opened down 1.7% and still managed to close up, showing the preference to rally and the relative low valuation of chinese stocks are good to hold.

Hold position steady, when US stops correction China will rise faster.

Margin position:

Interest rate is 6.9%.

Today trading plan:

Start building position on banks.

Futs: leave them here.

10:00

Put some position here (600k) on banks. Keep until end of Apr for the first quarter.

China in selloff mode mostly due to global market.

Once US recovers China will recover fast.

Ytd, could see that China recovered all of the pre-open losses from the US.

2 trading weeks until the end of Feb with CNY in between.

Close:

Small caps face continued liquidation.

Usually January undergoes pressure but shifted to Feb this time.